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February 4, 1998

EX PARTE OR LATE FILED

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## VIA HAND DELIVERY

Magalie Roman Salas, Secretary  
Secretary's Office  
Federal Communications Commission  
1919 M Street, N.W., Room 222  
Washington, D.C. 20554

Re: File No 91-SAT-TC-97  
File No. 106-SAT-AL-97  
PRIMESTAR DBS APPLICATIONS;

CS Docket No. 97-248  
Implementation of the Cable Television  
Consumer Protection Act of 1992

## EX PARTE PRESENTATION

Dear Ms. Salas:

The purpose of this letter is to inform you that on February 3, 1998 and February 4, 1998 representatives of the National Rural Telecommunications Cooperative ("NRTC"), including B.R. Phillips, III, Chief Executive Officer, Steven T. Berman, Senior Vice President, Business Affairs and General Counsel, and the undersigned counsel for NRTC, met on separate occasions with Commissioners Susan Ness, Harold W. Furchtgott-Roth, Michael K. Powell, and Gloria Tristani and their respective staff. Among the matters discussed were the history of NRTC, its position regarding PRIMESTAR's pending applications, and revisions to the program access rules.

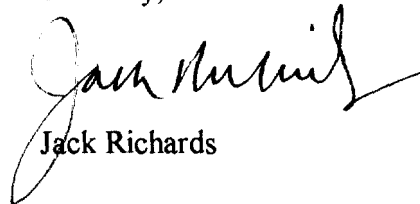
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Magalie Roman Salas, Secretary  
February 4, 1998  
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In accordance with Section 1.1206 of the Commission's rules, enclosed is an original and three copies of this letter, a memorandum summarizing the issues discussed, and the talking points provided by NRTC to the Commissioners. Should the Commission require further information, please contact the undersigned at (202) 434-4210.

Sincerely,



Jack Richards

Attachments

cc: (w/attachments)

The Honorable Susan Ness  
The Honorable Harold W. Furchtgott-Roth  
The Honorable Michael K. Powell  
The Honorable Gloria Tristani  
Anita Wahlgren, Legal Advisor to The Honorable Susan Ness  
Kevin Martin, Legal Advisor to The Honorable Harold W. Furchtgott-Roth  
Jane Mago, Senior Legal Advisor to The Honorable Michael K. Powell  
Rick Chessen, Senior Legal Advisor to The Honorable Gloria Tristani

**Summary of Issues Discussed**

NRTC restated its concern that grant of the pending PRIMESTAR applications would be anticompetitive because PRIMESTAR, a company comprised of the largest cable multi-system operators ("MSOs"), would control the majority of available full-CONUS DBS spectrum. NRTC is concerned that PRIMESTAR's MSO owners would encourage PRIMESTAR to use the full-CONUS DBS allocations to provide a DBS service complimentary to, but not in direct competition with cable services. NRTC believes that PRIMESTAR could use its affiliation with News Corp. and the largest cable MSOs to obtain access to programming at rates and terms unavailable to competing multichannel video programming distributors.

NRTC's remarks concerning revisions to the program access rules were based on its Comments filed at the Commission on February 2, 1998 in response to the Notice of Proposed Rulemaking *In re Implementation of the Cable Television Consumer Protection and Competition Act of 1992* Petition for Rulemaking of Ameritech New Media, Inc. Regarding Development of Competition and Diversity in Video Programming and Distribution and Carriage. NRTC supports (1) the award of damages as a remedy for price discrimination and other program access violations; (2) establishment of new procedural rules to expedite the resolution of program access complaints; and (3) the extension of program access rules to encompass terrestrially-delivered programming that was previously delivered by satellite.

**Talking Points  
NRTC/FCC Meeting  
February 1998**

**I. Introduction to NRTC**

- 800 rural electric and telephone utilities
- 800,000 satellite subscribers
  - 750,000 DBS: "DirecTV®"
  - 60,000 C-Band
- Channel Earth® Programming
- Automatic Meter Reading (UTIL-LINK®)
- Internet Access
- 220 MHz

**II. Program Access**

- Long NRTC History
  - FCC Satellite Discrimination Inquiries
  - Copyright Office Complaints
  - FCC Complaints
  - 1992 Cable Act
- Ameritech Petition (CS Docket No. 97-248)
  - Award Damages
  - Expedite Resolution
  - Terrestrial Programming

**III. Copyright Laws (Congressional Review)**

- "CARP" rate increase (\$.27) is outrageous
- "White Area" rule is unenforceable
- Network signals should be available nationwide with a surcharge payable within 35 miles of affiliates

- “90-day waiting period” is anticompetitive
- Satellite license should be permanent

**IV. PrimeStar**

- Grant of pending licenses would allow the largest cable MSOs to control DBS as a competitive force.

**B.R. Phillips, III**  
**Chief Executive Officer**

**Steven T. Berman**  
**Senior Vice President - Business Affairs**

**Jack Richards**  
**Keller and Heckman LLP**